

## Farm Service Agency

## Harrison County Newsletter

December 2008

Harrison County USDA Service Center

Harrison County FSA 1400 N. 41<sup>st</sup> Street Bethany, MO 64424 (660) 425-7635 – phone (660) 425-3536 – fax

#### Hours:

Monday – Friday 8:00 AM – 4:30 PM

#### **County Committee:**

Michael Smith Ryan Klindt Glenn Dale Cox Teresa Johnson - Advisor

#### Staff:

Tony Thompson – CED Kim Hulett – PT Bettie Lee – PT Korissa Robertson – PT Paula Rinehart - PT Linda Vandivert –PT

#### Farm Loan Staff

Charles Meissen, Manager Teresa Akers, Officer Pat Barnett – PT



## County Committee Election Results

The Harrison County Committee election for LAA 1 that includes the townships of Lincoln, Hamilton, Colfax, Clay, Washington, Union, Marion, and Madison was held on December 3, 2008. Teresa Johnson won the election and will serve as the new County Committee member. Charles Henson will be the 1<sup>st</sup> Alternate and Bill Reno will be the 2<sup>nd</sup> Alternate. Mike Smith currently holds the position and was not eligible to run again due to term limits. The Harrison County FSA office would like to thank Mike Smith for over a decade of service to USDA and the farmers of Harrison County. We would also like to thank all that voted in the election.

## **DCP Sign-up Underway**

The Direct and Counter-cyclical Program was extended by the 2008 Farm Bill. The sign-up runs from now until June 1, 2009. Advance direct payments of 22% of the farm's total direct payments are available. Direct payments are guaranteed payments for participation in the program. Counter-cyclical payments are also a component of the 2009 DCP. Current price levels suggest there will be no counter-cyclical payments made, but the safety net is still there for participants, likewise Loan Deficiency Payments are still available if market conditions warrant them.

A new option for 2009 is the Average Crop Revenue Election (ACRE). This option's benefits are calculated on crop revenue for each of the farm's base commodities. A participant who chooses this option would forgo any potential counter-cyclical payments, have their guaranteed direct payment reduced by 20% and be subject to a 30% reduction in commodity loan rates.

At this time we do not have all the provisions of this option, but we hope to have a better picture as the program evolves. Sign-up for ACRE will start after the regular DCP sign-up. (NOTE: New eligibility forms will be required for 2009, signing up for DCP may require extra time)

#### **Marketing Assistance Loans**

Marketing Assistance loans are commodity loans available to producers who share in the risk of producing the crop. Harrison County Farm Service Agency county loan rates are the following:

Corn \$1.85 bu. Soybeans \$4.95 bu. Grain Sorghum 3.25 cwt.

These loans mature 9 months following the month of disbursement. The interest rate for all loans disbursed in December is 2.25 %. This loan option can be a good marketing tool inasmuch working capital can be obtained while the borrower still has title of the crop to sell at a higher price later.

#### Unauthorized Disposition of Loaned Grain

If loan grain has been disposed of through feeding, selling or any other form of disposal without prior written authorization from the county office staff, it is considered unauthorized disposition. The financial penalties for unauthorized dispositions are severe. Additionally, producer could be subject to criminal prosecution under federal law. Always call the office before any grain under loan is fed or sold.

#### **CCC 184 Checks Removed from the County Office**

We will no longer be issuing CCC checks from the county office. All payments will be made by Direct Deposit, or a check issued from the U.S. Treasury. (This includes loan disbursements and refunds from loan repayments). If you obtain a CCC grain loan or Facility loan and a joint check is required, we will have to have a check printed by the Treasury which will delay the process for 7 to 10 days. If a joint check is not required, and the funds are deposited in your bank account, it will take 2 to 3 days. If you have not signed up for direct deposit, it would be a good idea to do so. If you make a change in a bank or an account, be sure to notify us to avoid further delays in receiving your payment.

#### **Beginning Farmers and Ranchers**

FSA has funding to assist beginning farmers and or members of socially disadvantaged groups to finance agricultural enterprises. Under these designated farm loan programs, FSA can provide financing to eligible applicants through either direct or guaranteed loans. FSA defines a beginning farmer as a person who:

- Has operated a farm for not more that 10 years;
- Will materially and substantially participate in the operation of the farm;
- Agrees to participate in a loan assessment, borrower training and financial management program sponsored by FSA;
- Does not own a farm in excess of 30 percent of the county's median farm size

<u>Note</u>: All applicants for direct farm ownership loans must have participated in business operation of a farm for at least three years.

#### **Selling Land?**

Please notify the FSA office if you have sold or purchased any land. The buyer will need to provide a copy of the deed to the FSA office. If you're planning to sell farmland, there may be some program consequences you should be aware of. For example, if you're planning to sell land that's enrolled in the Conservation Reserve Program, the buyer must agree to continue the enrollment. If the buyer doesn't want to continue the CRP contract, you may have to refund all of the payments you've received to date. Please consider discussing possible program consequences with the county office staff before selling any land.

## Request for Pork Check off Referendum

The U.S. Department of Agriculture's (USDA) Agricultural Marketing Service (AMS) announced that it will conduct a Request for Referendum among eligible producers and importers of hogs, pigs, pork, and pork products to determine if they want a referendum on the Pork Promotion, Research, and Consumer Information Order, commonly known as the Pork Checkoff Program. Participation is voluntary, and only individuals who desire a referendum on the Pork Checkoff Program should participate. The Request for Referendum on the Pork Check off Program will be <a href="held Dec. 8">held Dec. 8</a>, 2008 through Jan. 2, 2009. Producers and importers who were engaged in pork production or in the importation of hogs, pigs, pork, or pork products between Jan. 1, 2007, and Dec. 31, 2007, and were at least 18 years of age on or before Dec. 31, 2007, are eligible to participate. Documentation must be provided that show hogs were owned during this time period. This could include sales receipts, veterinary bills copies of grow contracts or cancelled checks. For producers, the Request for Referendum will be conducted at the USDA Farm Service Agency (FSA) offices where their administrative farm records are maintained.

#### **MILC PROGRAM**

The initial sign up for the MILC program has begun and will continue until January 21, 2009. Producers who sign up during this time can select the month they want as the start month.

#### **Controlled Substance**

Any person who is convicted under federal law of planting, producing, cultivating, harvesting, growing, or storing a controlled substance will be ineligible to participate and receive payments under USDA programs. Marijuana, opium poppies, and other drug producing plants are controlled substances.

## **Banking Changes?**

If you have changed banks and not notified FSA, your payment could be delayed. Payments are electronically transferred into your bank account, if we are not aware of changes to your account and routing numbers, there could be problems. In order to make timely payments, you need to notify the office if you close your account or if another financial institution purchases your bank. It is important that any changes in producer's account such as type account, bank mergers, routing number or account numbers, be provided to the county office promptly to avoid possible payment delay.

Selected Interest Rates for December 2008		
90-Day Treasury Bill	0.750%	
Farm Operating Loans — Direct	3.375%	
Farm Ownership Loans — Direct	4.875%	
Farm Ownership Loans — Begin-	1.500%	
ning Farmer Down Payment		
Emergency Loans	3.750%	
Farm Storage Facility Loans	3.000%	
Commodity Loans 1996-Present	2.250%	

## **Adjusted Gross Income**

The Farm Bill also made some changes in the maximum adjusted gross income a producer can have and still qualify for farm payments. First, in 2009, certification will be for the years 2005, 2006, and 2007. Limitations are:

- \$500,000 The limit for non-farm income. Above that, ineligible for all commodity program payments and benefits.
- \$750,000 The limit for farm income. Above that, ineligible for direct payments only.
- \$1,000,000 The limit for non-farm income. Above that, ineligible for all conservation program benefits unless 66.66% of the total adjusted gross income is average adjusted gross farm income.

# Foreign Investors Who Hold Agricultural Land

Foreign investors, who buy, sell or hold a direct or indirect interest in U.S. agricultural land must report their holdings and transactions to the U.S. Secretary of Agriculture. Failure to timely file an accurate report can result in a penalty with fines up to 25 percent of the fair market value of the agricultural land. Foreign persons who are buying or selling land must report the transaction within 90 days of the date of the transaction.

#### **Who Must Report:**

- Individuals who are not U.S. citizens or citizens of the Northern Mariana Islands or the Trust Territory of the Pacific Islands;
- Individuals who are not lawfully admitted to the U.S. for permanent residence or who are not paroled into the U.S. under the Immigration and Nationality Act;
- Any organization created under laws of a foreign government or which has located its principle place of business outside the U.S.;
- Any U.S. organization in which a significant interest or substantial control is directly or indirectly held by foreign individuals, organizations or governments; and
- Any foreign governments.

#### What to Report:

- Each tract of agricultural land in the U.S., its territories, the Northern Mariana Islands and the Trust
  Territories of the Pacific Islands owned by persons required to report; and
- Leaseholds of 10 years or more.

USDA designated the FSA to collect the AFIDA report forms. Individuals wanting to obtain an AFIDA report form (FSA-153) may do so from any FSA County office. The (FSA-153) is available in both English and Spanish translations. You can also go on-line and download the form at:

http://forms.sc.egov.usda.gov/efcommon/eFileServices/Forms/FSA0153 010524V02.pdf.

Although interested parties may obtain a report form from any FSA County office, the completed form must be returned to the FSA County office where the land or where the programs are administered.

Foreign investors should contact your local FSA if this pertains to you. To locate the Farm Service Agency county office, you can look in the telephone book white pages or go on-line to: www.fsa.usda.gov/mo and then click on the "County Offices" link. Then click on the county where the land is located.



## **Minority Farm Register**

The USDA Minority Farm Register is a tool to promote equal access to USDA farm programs and services for minority farmland owners, farmers, tenants, and other individuals with an agricultural interest. Participants may receive information or be personally contacted through USDA outreach efforts. USDA programs include direct and guaranteed farm ownership and operating loans, marketing loans, as well as conservation, housing & rural business, and risk management.

**Participation in the Register is voluntary.** All minority persons involved in farming are encouraged to participate. The information you provide may be shared through the USDA Office of Outreach with other USDA-approved outreach partners such as community-based organizations, educational institutions, and other government agencies.

If you are involved with farming and wish to be included in the Minority Farm Register, you are invited to visit the local county office staff and request the register form or download the form from the FSA Website at: http://www.fsa.usda.gov/Internet/FSA File/ad2035 040729v01.pdf.

## **Special Accommodations**

Special accommodations will be made upon request for individuals with disabilities, vision or hearing impairment. If accommodations are required, individuals should contact the County Executive Director of their local Farm Service Agency office.

Dates to Remember	
Dec. 8	Request for Referendum on the
	Pork Checkoff Program begins.
Dec. 25	Christmas Day Holiday. <b>FSA</b>
	Offices Closed.
Jan. 1	New Year's Day Holiday. FSA
	Offices Closed.
Jan. 1	Elected Committee Members and
	alternates take office.
Jan. 2	<b>Last day</b> to return form <i>LS-54-1</i>
	and supporting documentation for
	the Request for Referendum on the
	Pork Checkoff Program to the
	FSA County office.
Jan. 19	Martin Luther's Day Holiday.
	FSA Offices Closed.
Jan. 31	<b>Deadline</b> on 2008 LDPs for wool,
	mohair and unshorn lamb pelts.
Continues	Continuous SAFE program and
	Conservation Reserve program.

Visit our website at: www.fsa.usda.gov/mo

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